

**ST. MARTIN, IBERIA, LAFAYETTE  
COMMUNITY ACTION AGENCY, INC.**

Financial Report

Year Ended May 31, 2012

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
St. Martin, Iberia, Lafayette  
Community Action Agency, Inc.  
Lafayette, Louisiana

We have audited the accompanying statement of financial position of St. Martin, Iberia, Lafayette Community Action Agency, Inc. (a nonprofit organization) as of May 31, 2012, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Organization's 2011 financial statements and, in our report dated October 31, 2011 we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of St. Martin, Iberia, Lafayette Community Action Agency, Inc. as of May 31, 2012, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated November 5, 2012 on our consideration of St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The supplementary information (pp.22-35) is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Agency. The accompanying schedule of expenditures of federal awards (pp.41-42) is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Breaux Bridge, Louisiana  
November 5, 2012

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Statement of Financial Position  
May 31, 2012

ASSETS

Current assets:	
Cash	\$ 927,312
Receivables:	
Grant funds	1,222,616
Other	6,289
Deposits	18,135
Prepaid expenses	<u>118,631</u>
Total current assets	2,292,983
Property and equipment (net)	<u>1,783,986</u>
Total assets	<u>\$ 4,076,969</u>

LIABILITIES

Liabilities:	
Current liabilities:	
Accounts payable	\$ 648,171
Accrued salaries and related benefits	428,577
Current portion of long-term debt	24,951
Retirement plan payable	556,423
Compensated absences	103,059
Commitment payable	<u>43,436</u>
Total current liabilities	1,804,617
Long-term liabilities:	
Notes payable	<u>322,331</u>
Total liabilities	<u>2,126,948</u>

NET ASSETS

Unrestricted (deficit)	(79,774)
Temporarily restricted	<u>2,029,795</u>
Total net assets	<u>1,950,021</u>
Total liabilities and net assets	<u>\$ 4,076,969</u>

The accompanying notes are an integral part of this statement.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Statement of Activities  
Year Ended May 31, 2012  
With Comparative Totals for May 31, 2011

	Unrestricted	Temporarily Restricted	Totals	
			2012	2011
Public support:				
In-kind contributions	\$ -	\$ 2,826,102	\$ 2,826,102	\$ 2,723,461
Donations	475	38,780	39,255	133,567
Total public support	475	2,864,882	2,865,357	2,857,028
Grants from governmental agencies	1,542	18,350,148	18,351,690	23,391,977
Other revenue:				
Miscellaneous	68,915	80,082	148,997	55,833
Total public support, grants from governmental agencies and other revenue	70,932	21,295,112	21,366,044	26,304,838
Expenses:				
Program services -				
Transportation	-	640,026	640,026	675,839
Project Independence Jobs	-	100,809	100,809	193,210
CSBG	-	1,011,748	1,011,748	1,882,192
Food Reimbursement	-	1,192,554	1,192,554	1,118,186
Shelter Fund	-	1,709	1,709	405
Weatherization	-	1,109,417	1,109,417	1,506,658
Local Government Support	-	109,676	109,676	102,095
St. Martin Parish Emergency Assistance	-	11,276	11,276	15,357
Computer Technology	-	1,552	1,552	1,553
Iberia Food & Medical	-	20,301	20,301	18,800
Lafayette Emergency Food & Shelter	-	898	898	325
Iberia Emergency Food & Shelter	-	10,000	10,000	8,997
Head Start	-	14,577,345	14,577,345	14,319,196
RSVP	-	71,053	71,053	78,108
Cookbook Fund	2,301	-	2,301	8,768
Family Preservation	-	650	650	5,868
Home Energy Assistance	-	2,789,654	2,789,654	4,980,810
HPRP	-	260,435	260,435	718,833
United Way	-	7,840	7,840	29,346
EITC	-	2,683	2,683	760
Pugh Family Trust	-	7,321	7,321	2,539
Total program services	2,301	21,926,947	21,929,248	25,667,845

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Statement of Activities (Continued)  
 Year Ended May 31, 2012  
 With Comparative Totals for May 31, 2011

	Unrestricted	Temporarily Restricted	Totals	
			2012	2011
Supporting services -				
General	125,769	-	125,769	80,928
Indirect Cost Pool	-	685,935	685,935	593,647
Total supporting services	<u>125,769</u>	<u>685,935</u>	<u>811,704</u>	<u>674,575</u>
 Total expenses	<u>128,070</u>	<u>22,612,882</u>	<u>22,740,952</u>	<u>26,342,420</u>
 Excess (deficiency) of public support, grants from governmental agencies, and other revenue over expenses	<u>(57,138)</u>	<u>(1,317,770)</u>	<u>(1,374,908)</u>	<u>(37,582)</u>
 Other increases (decreases) in net assets:				
Operating transfers in	30,000	379,901	409,901	1,228,104
Operating transfers out	-	(409,901)	(409,901)	(1,228,104)
Indirect cost transferred from programs	-	503,057	503,057	525,465
Gain on disposal of equipment	-	16,407	16,407	-
Total increases in net assets	<u>30,000</u>	<u>489,464</u>	<u>519,464</u>	<u>525,465</u>
 Change in net assets	(27,138)	(828,306)	(855,444)	487,883
 Net assets (deficit), beginning of year	(52,636)	2,688,961	2,636,325	2,148,442
 Prior period adjustment	-	169,140	169,140	-
 Net assets (deficit), end of year	<u>\$ (79,774)</u>	<u>\$ 2,029,795</u>	<u>\$ 1,950,021</u>	<u>\$ 2,636,325</u>

The accompanying notes are an integral part of this statement.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Statement of Cash Flows  
Year Ended May 31, 2012

Cash flows from operating activities:	
Change in net assets	\$ (855,444)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	441,360
Gain on sale of assets	(16,407)
Donated assets	33,073
(Increase) decrease in operating assets -	
Grant receivables	548,626
Other receivables	(5,002)
Deposits	(8,865)
Prepaid expenses	11,138
Increase (decrease) in operating liabilities -	
Accounts payable	(153,235)
Accrued salaries and related benefits	95,032
Retirement plan payable	42,138
Compensated absences	(16,339)
Commitment payable	43,436
Total adjustments	<u>1,014,955</u>
Net cash provided by operating activities	159,511
Cash flows from investing activities:	
Payments for property and equipment	(24,173)
Proceeds from disposal of assets	<u>20,690</u>
Net cash used by investing activities	<u>(3,483)</u>
Cash flows from financing activities:	
Payments on notes payable	<u>(32,039)</u>
Net increase in cash and cash equivalents	123,989
Beginning cash and cash equivalents	<u>803,323</u>
Ending cash and cash equivalents	\$ <u>927,312</u>
Supplemental disclosures:	
Cash paid during year for interest	\$ <u>31,170</u>
Donated assets	\$ <u>33,073</u>

The accompanying notes are an integral part of this statement.



ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

A. Nature of Activities

The St. Martin, Iberia, Lafayette Community Action Agency, Inc. (SMILE) was created under the Economic Opportunity Act of 1964, as amended, to serve as the antipoverty agency, providing human services for the indigent and disadvantaged through research, planning, development, financing, implementation and evaluation of programs, either directly or through coordinating with other agencies, to attain social and economic independence for the benefit of all present and future generations of disadvantaged people in the Tri-Parish area. St. Martin, Iberia, Lafayette Community Action Agency, Inc. is comprised of eighteen board members, who are equal in numbers from the Community Action Councils of the St. Martin, Iberia, and Lafayette Parishes of Louisiana.

St. Martin, Iberia, Lafayette Community Action Agency, Inc. receives substantially all of its revenue from various Federal and State grant programs, which are subject to final review and approval as to allowability of expenditures by the respective grantor agencies.

B. Basis of Accounting

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The Agency's financial statements have been prepared on the accrual basis of accounting whereby revenues are recognized when they are earned and expenses are recognized when incurred.

Unrestricted net assets represent expendable funds available for operations which are not otherwise limited by donor restrictions. Temporarily restricted net assets consist of contributed funds subject to specific donor-imposed restrictions contingent upon specific performance of a future event or a specific passage of time before the Agency may spend the funds.

Contributions are recognized as revenue when they are received or unconditionally pledged. Contributions are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence and/or nature of any donor restrictions. Those donor restricted contributions whose restrictions, however, are met in the same reporting period are reported as unrestricted support.

The Agency reports gifts of buildings and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Notes to Financial Statements (continued)

are reported as restricted support. Absent explicit donor stipulations about how these long-lived assets must be maintained, the Agency reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

C. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Agency considers all highly liquid investments available for current use to be cash equivalents.

D. Property and Equipment

Property and equipment is capitalized at cost. All federal program assets costing \$5,000 or more are capitalized and all state program assets costing \$250 or more are capitalized. Depreciation of property and equipment is calculated on the straight-line basis over the estimated useful lives of assets as follows:

Computers	3 years
Furnitures, fixtures, and equipment	7-10 years
Automobiles	5 years
Buildings and improvements	15-20 years

E. Functional Expenses

Expenses are charged to each program based on direct expenditures incurred.

F. Compensated Absences

Compensation is paid to employees absent from work due to illness or vacation. At May 31, 2012, there is a liability reported in the financial statements for accrued compensated absences of \$103,059.

G. Income Tax Status

The Agency qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes.

H. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Notes to Financial Statements (continued)

I. Total Columns

Total columns are presented to facilitate financial analysis. Data in these columns do not present financial position, changes in net assets and cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

J. Prior Year Summarized Comparative Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the organization's financial statements for the year ended May 31, 2011, from which the summarized information was derived.

(2) Cash

At May 31, 2012 SMILE had cash (book balances) totaling \$927,312. These deposits are stated at cost, which approximates market. These deposits (bank balances) totaled \$998,520 and are fully insured by FDIC insurance and securities pledged at May 31, 2012.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Notes to Financial Statements (continued)

(3) Due To/From Other Funds

Individual balances due to/from other funds at May 31, 2012 are as follows. The following balances have been eliminated in the statement of financial position.

	<u>Due from other funds</u>	<u>Due to other funds</u>
Transportation	\$ -	\$ 61,634
Project Independence	-	775
CSBG	13,676	20,294
Food Reimbursement	18,000	8,166
Shelter Fund	1,500	-
Weatherization	2,743	955
Local Government Support	20,023	61,611
Iberia Food and Medical	-	7,317
Lafayette Food and Shelter	-	311
Iberia Food and Shelter	311	-
Head Start	26,466	16,872
RSVP	-	112
Payroll Fund	51,004	1,460
HPRP	51,042	137,779
Accounts Payable	137,032	105,241
Home Energy Assistance	82,055	10,000
General Fund	-	23
Indirect Cost Fund	30,876	-
EITC	-	1,766
Disaster Fund	-	398
Pugh Family Trust	-	14
	<u>\$ 434,728</u>	<u>\$ 434,728</u>

Of the amounts recorded as due to/from other funds in 2012, \$51,004 relates to payroll and \$137,032 relates to accounts payable.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Notes to Financial Statements (continued)

(4) Restrictions on Net Assets

Temporarily restricted net assets are available for specific grant programs at May 31, 2012 as follows:

Transportation	\$ 233,907
Project Independence Jobs	11,477
CSBG	34,848
Food Reimbursement	25,290
Shelter Fund	1,603
Weatherization	1,788
Local Government Support	219,662
St. Martin Parish Emergency Assistance	2,896
Iberia Food & Medical	3,642
Iberia Parish Special Trust	157
Lafayette Emergency Food & Shelter	10,477
Iberia Emergency Food & Shelter	316
Headstart	1,212,190
RSVP	1,443
Medicaid Enrollment	2,390
Family Preservation	1,621
HPRP	25,340
Home Energy Assistance	173,850
Indirect Cost Pool	25,078
Computer Technology	28,730
United Way	2,000
EITC	10,950
Pugh Family Trust	140
Total Temporary Restricted Net Assets	<u>\$ 2,029,795</u>

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Notes to Financial Statements (continued)

(5) Commitments and Contingencies

A. Commitments

Due to a settlement reached with a third party and the Louisiana Service Employees International Union, SMILE owes a third party \$43,436 as of May 31, 2012. SMILE is paying on the liability as funds become available through fundraising.

B. Contingent Liabilities

At May 31, 2012, the St. Martin, Iberia, Lafayette Community Action Agency, Inc. is a defendant in one lawsuit. In the opinion of management, this lawsuit will not result in a significant monetary loss. Therefore, there has been no accrual on the balance sheet at May 31, 2012.

C. Grant Audits

SMILE, Inc. receives revenues from various Federal and State grant programs, which are subject to final review and approval as to allowability of expenditures by the respective grantor agencies. Any settlements or expenses arising out of a final review are recognized in the period in which agreed upon by the agency and SMILE, Inc. Also, it is management's opinion that any audits by the grantor agencies would not produce disallowed program costs and liabilities to such an extent that they would materially affect SMILE, Inc.'s financial position.

During year ended May 31, 2012, the grantor agency for the Weatherization program (LACAP) performed inspections of the Weatherization program for the St. Martin, Iberia, Lafayette Community Action Agency, Inc. The grantor agency noted several deficiencies in the program, including failure to produce the required number of units, quality of work, health and safety issues, and training of Weatherization contractors and personnel. In order to resolve the deficiencies, SMILE reached an agreement with the St. Mary Community Action Agency to administer the Weatherization program as it relates to the parishes supported by SMILE.

(6) Retirement Plan

Plan Description: The St. Martin, Iberia, Lafayette Community Action Agency, Inc. contributes to a defined contribution plan administered under a contract with Mutual of America. Mutual of America receives the plan contributions, maintains participants' individual accounts, offers the investment options and pays benefits to participants and their beneficiaries.

Funding Policy: The retirement plan covers all employees who have one year of service and are age eighteen or older. The Agency will contribute to the plan the amount determined by the Agency at its discretion. The Agency may choose not to contribute to the plan for a particular plan year. Participants can contribute any amount from 1% to 16% of their compensation each pay period provided that the participant does not contribute more than the maximum permitted by law. There

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Notes to Financial Statements (continued)

were no significant changes during the period affecting comparability. Agency contribution for the year ending May 31, 2012 was \$265,892.

(7) Economic Dependency

The Agency receives the majority of its revenue from funds provided through grants administered by the U.S. Department of Health and Human Services. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of the funds the Agency receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Agency will receive in the next fiscal year.

(8) In-Kind Contributions

The Agency is allowed free use of certain facilities by landlords and is donated services by individuals. In-kind contributions are valued at the fair market value of the rent or services donated on the date of donation.

(9) Property and Equipment

Property and equipment at May 31, 2012 consists of the following:

Furniture, fixtures and equipment	\$ 867,693
Automobiles	2,253,694
Buildings and improvements	4,649,524
Land	<u>97,764</u>
Total	7,868,675
Less: Accumulated depreciation	<u>(6,084,689)</u>
Net assets	<u>\$ 1,783,986</u>

Property and equipment purchased with federal monies may revert back to the government or the sale of such property and equipment has to be approved and the proceeds from the sale are restricted. Depreciation expense for the year ended May 31, 2012 was \$441,360.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Notes to Financial Statements (continued)

(10) Notes Payable

The Organization's note payable balance consists of the following at May 31, 2012:

Note payable to Hibernia, original amount of \$500,000, due in monthly installments of \$4,449, which includes interest at a rate of 8.71 percent, maturing December 2021, secured by building.

\$ 347,282

Following is the maturity of the notes payable which includes interest of \$168,761:

Years ending May 31:

2013	\$ 57,832
2014	53,384
2015	53,384
2016	53,384
2017	53,384
2018 - 2022	<u>244,675</u>
Total	<u>\$ 516,043</u>

The total amount of interest charged to expense for the year ended May 31, 2012 is \$31,170. It is the Agency's intent to use local funds to retire this debt each year.

(11) Individual Program Deficit

The following program had deficit net assets at May 31, 2012:

General fund \$ 81,612

The deficit in the General Fund is expected to be funded by future fund raising and/or local support monies.



ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Notes to Financial Statements (continued)

(12) Operating Leases

The Agency is obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations, therefore the results of these agreements are not reflected in property and equipment.

Rent expense for the year ended May 31, 2012 was \$289,886. The following is a schedule, by years, of future minimum rental payments required under operating leases that have initial or remaining noncancelable lease terms in excess of one year as of May 31, 2012:

<u>Year Ending May 31,</u>	<u>Amounts</u>
2013	\$ 182,801
2014	59,941
2015	33,264
2016	15,577
2017	15,577
2018	<u>12,981</u>
Total minimum payments required	<u>\$ 320,141</u>

(13) Prior Period Adjustment

Temporarily restricted net assets in the Transportation Fund at the beginning of the fiscal year May 31, 2012 has been adjusted to correct an error in a prior year. In 2011, net capital assets were understated; therefore, a prior period adjustment of \$169,460 is necessary to increase temporarily restricted net assets. The reason for this increase is due to the capitalization of prior year donated capital assets not capitalized.

(14) Subsequent Events

Subsequent events have been evaluated through November 5, 2012, the date of the financial statement issuance.

## **SUPPLEMENTARY INFORMATION**

**SCHEDULE OF INDIVIDUAL FUNDS**

## DIRECT FEDERAL PROGRAMS

### **Department of Housing and Urban Development**

#### **HUD Housing Counseling Program**

The purpose of this grant is to provide comprehensive housing counseling to assist in improving the individual's housing conditions.

### **Department of Health and Human Services**

#### **Head Start Program/Early Childhood**

The Head Start Program provides comprehensive early child development for disadvantaged pre-school children and their families. As part of this program, the grantee also operates a food program for qualifying students on a cost reimbursement basis through the United States Department of Agriculture.

#### **Training and Technical Assistance Programs**

This special grant provides for the training and certification of Head Start Program instructors.

#### **Handicapped Program**

This grant extends the Head Start Program to include handicapped children.

### **The Corporation for National Service**

#### **Retired Senior Volunteer Program (RSVP)**

The purpose of this grant is to involve senior citizens in community participation projects.

### **Department of Education**

The Community Technology Centers Program allows SMILE to provide computer technology classes to qualified individuals.

## INDIRECT FEDERAL PROGRAMS

The Agency receives federal funds as the subgrantee of various departments of the State of Louisiana. The various state departments have the ultimate responsibility of reporting to the federal grantors.

### Project Independence Jobs/Transportation

Provides transportation for participants and their designated children. Also, provides funds to the Transportation program to help provide services to the underprivileged.

### Department of Labor

The Community Services Block Grant Program (CSBG) provides various direct program services to the needy and defrays a portion of the Agency's administrative costs.

### Department of Education

The Child Care Feeding Program (Food Reimbursement) provides balanced meals to qualified children and adults in the Tri-Parish area Child Development Programs.

### Department of Social Services

Weatherization Assistance Program grants and Low Income Home Energy Assistance Program (LIHEAP) grants provide services to assist needy individuals in home insulation.

### Department of Housing and Urban Development

Homelessness Prevention and Rapid Re-Housing (HPRP) assistance is provided to rapidly transition program participants to housing stability, either through their own means or through public assistance, as appropriate.

### Emergency Food and Shelter National Board Program

This grant provides emergency food and shelter assistance to qualified individuals in the parishes of St. Martin, Iberia and Lafayette.

### Department of Social Services

Child Welfare Resource Center – This program will establish a center to ensure the safety, well being and permanency of families who are at risk of dissolution as a result of child abuse and/or neglect.

### Department of Social Services

Low Income Home Energy Assistance Program - This program provides direct payments to home energy suppliers on behalf of eligible households.

### Department of Social Services

Earned Income Tax Credit (EITC) Program - This program provides outreach and tax preparation services for low-income individuals and families.

(continued)

## INDIRECT FEDERAL PROGRAMS (continued)

### **Department of Health and Human Services**

#### Medicaid Enrollment

This grant allows SMILE to offer outreach medicaid eligibility services to specific groups of individuals by assisting potential medicaid eligibles to complete an initial application for health care coverage and in some instances by assisting medicaid beneficiaries with the recertification process.

#### Group Mentoring

Promotes youth development and leadership, targeting at risk youth, grades 9-12 in St. Martin Parish.

#### Youth Initiative

Designed to increase youth leadership skills, enhance literacy with Head Start families and reduce social ills plaguing disadvantaged populations.

#### Community Response Initiative

To provide intervention services to offset Martin Mills layoffs. Services include providing job community fair, job skills training, job recruitment/placement, emergency assistance, counseling, transportation services, child care services, healthy marriage/family support, parenting/child development training, and crisis intervention/support groups.

#### Quality Child Care Initiative

To provide parent-child enrichment programs to include a family literacy project, increase parenting skills and offset cultural and recreational activities.

## LOCAL PROGRAMS

The Agency receives grants from local governmental bodies and non-profit organizations.

### Local Government Support (Matching Fund)

Programs that provide supplementary assistance for established programs or matching requirements for established programs.

### St. Martin Parish Emergency Assistance

Funded by local contributions, this program provides emergency energy, rent and medical assistance to the qualified elderly of St. Martin Parish.

### Iberia Food and Medical

Funded by United Way of Iberia and other local grants and contributions, this grant provides medical and food assistance on a one time basis to qualified individuals in Iberia Parish.

### Disaster

Set up due to Hurricanes Katrina and Rita to assist evacuees seeking assistance with rental and utility deposits in order to relocate.

### United Way

To target 30 low-income families in St. Martin Parish to educate them on finances and maintaining a saving account for emergencies.

### Pugh Family Trust Grant/Community Foundation of Acadiana

To provide computer technology workshops and a resource center for disadvantaged individuals in St. Martin, Iberia and Lafayette Parishes. Workshops include Computer Basics, Internet Basics and MS Word for Beginners. Workshops enable participants to become computer literate so that they can have the skills necessary to achieve more independent living – use a computer, create a résumé, fill out an online job application, establish an email account, etc. The workshops are free to persons who are 200% of the federal poverty guidelines. Participants receive "Certificates of Completion" for each workshop.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Financial Position  
Year Ended May 31, 2012  
With Comparative Totals for May 31, 2011

	Transportation	Project Independence Jobs	CSBG	Food Reimbursement	Shelter Fund
<b>ASSETS</b>					
Current assets:					
Cash	\$ -	\$ 730	\$ 40,615	\$ 4,507	\$ 103
Receivables:					
Grant funds	70,856	6,469	40,000	53,511	-
Due from other funds	-	-	13,676	18,000	1,500
Other	-	-	-	-	-
Deposits	9,270	-	-	-	-
Prepaid expenses	6,122	-	5,101	-	-
Total current assets	86,248	7,199	99,392	76,018	1,603
Property and equipment (net)	221,274	7,627	14,557	-	-
Total assets	\$ 307,522	\$ 14,826	\$ 113,949	\$ 76,018	\$ 1,603
<b>LIABILITIES</b>					
Liabilities:					
Current liabilities:					
Due to other funds	\$ 61,634	\$ 775	\$ 20,294	\$ 8,166	\$ -
Accounts payable	1,415	8	12,006	37,227	-
Accrued salaries and related benefits	6,684	2,566	26,657	5,335	-
Notes payable	-	-	-	-	-
Retirement plan payable	-	-	-	-	-
Compensated absences	3,882	-	20,144	-	-
Commitment payable	-	-	-	-	-
Total current liabilities	73,615	3,349	79,101	50,728	-
Long-term liabilities:					
Notes payable	-	-	-	-	-
Total liabilities	73,615	3,349	79,101	50,728	-
<b>NET ASSETS</b>					
Unrestricted (deficit)	-	-	-	-	-
Temporarily restricted	233,907	11,477	34,848	25,290	1,603
Total net assets (deficit)	233,907	11,477	34,848	25,290	1,603
Total liabilities and net assets	\$ 307,522	\$ 14,826	\$ 113,949	\$ 76,018	\$ 1,603

(continued)



ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Financial Position (Continued)  
 Year Ended May 31, 2012  
 With Comparative Totals for May 31, 2011

	Weatherization	HUD	Local Government Support (Matching Fund)	St. Martin Parish Emergency Assistance	Iberia Food & Medical	Iberia Parish Special Trust
<b>ASSETS</b>						
Current assets:						
Cash	\$ -	\$ -	\$ 22,229	\$ 2,896	\$ 11,285	\$ 157
Receivables:						
Grant funds	-	-	16,953	-	-	-
Due from other funds	2,743	-	20,023	-	-	-
Other	-	-	-	-	-	-
Deposits	-	-	8,865	-	-	-
Prepaid expenses	-	-	10,203	-	-	-
Total current assets	2,743	-	78,273	2,896	11,285	157
Property and equipment (net)	-	-	204,217	-	-	-
Total assets	\$ 2,743	\$ -	\$ 282,490	\$ 2,896	\$ 11,285	\$ 157
<b>LIABILITIES</b>						
Liabilities:						
Current liabilities:						
Due to other funds	\$ 955	\$ -	\$ 61,611	\$ -	\$ 7,317	\$ -
Accounts payable	-	-	1,217	-	326	-
Accrued salaries and related benefits	-	-	-	-	-	-
Notes payable	-	-	-	-	-	-
Retirement plan payable	-	-	-	-	-	-
Compensated absences	-	-	-	-	-	-
Commitment payable	-	-	-	-	-	-
Total current liabilities	955	-	62,828	-	7,643	-
Long-term liabilities:						
Notes payable	-	-	-	-	-	-
Total liabilities	955	-	62,828	-	7,643	-
<b>NET ASSETS</b>						
Unrestricted (deficit)	-	-	-	-	-	-
Temporarily restricted	1,788	-	219,662	2,896	3,642	157
Total net assets (deficit)	1,788	-	219,662	2,896	3,642	157
Total liabilities and net assets	\$ 2,743	\$ -	\$ 282,490	\$ 2,896	\$ 11,285	\$ 157

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Financial Position (Continued)

Year Ended May 31, 2012

With Comparative Totals for May 31, 2011

	Lafayette Emergency Food & Shelter	Iberia Emergency Food & Shelter	Head Start	RSVP	Medicaid Enrollment	Cookbook Fund
<b>ASSETS</b>						
Current assets:						
Cash	\$ 10,788	\$ 5	\$ 115,727	\$ -	\$ 2,390	\$ 1,428
Receivables:						
Grant funds	-	-	527,847	3,538	-	-
Due from other funds	-	311	26,466	-	-	-
Other	-	-	-	-	-	-
Deposits	-	-	-	-	-	-
Prepaid expenses	-	-	86,368	510	-	-
Total current assets	10,788	316	756,408	4,048	2,390	1,428
Property and equipment (net)	-	-	1,014,103	-	-	410
Total assets	<u>\$ 10,788</u>	<u>\$ 316</u>	<u>\$ 1,770,511</u>	<u>\$ 4,048</u>	<u>\$ 2,390</u>	<u>\$ 1,838</u>
<b>LIABILITIES</b>						
Liabilities:						
Current liabilities:						
Due to other funds	\$ 311	\$ -	\$ 16,872	\$ 112	\$ -	\$ -
Accounts payable	-	-	163,619	93	-	-
Accrued salaries and related benefits	-	-	302,421	1,455	-	-
Notes payable	-	-	-	-	-	-
Retirement plan payable	-	-	-	-	-	-
Compensated absences	-	-	75,409	945	-	-
Commitment payable	-	-	-	-	-	-
Total current liabilities	311	-	558,321	2,605	-	-
Long-term liabilities:						
Notes payable	-	-	-	-	-	-
Total liabilities	311	-	558,321	2,605	-	-
<b>NET ASSETS</b>						
Unrestricted (deficit)	-	-	-	-	-	1,838
Temporarily restricted	10,477	316	1,212,190	1,443	2,390	-
Total net assets (deficit)	10,477	316	1,212,190	1,443	2,390	1,838
Total liabilities and net assets	<u>\$ 10,788</u>	<u>\$ 316</u>	<u>\$ 1,770,511</u>	<u>\$ 4,048</u>	<u>\$ 2,390</u>	<u>\$ 1,838</u>

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Financial Position (Continued)

Year Ended May 31, 2012

With Comparative Totals for May 31, 2011

	Family Preservation	Payroll	HPRP	Accounts Payable	Home Energy Assistance	General
<b>ASSETS</b>						
Current assets:						
Cash	\$ 1,621	\$ 571,197	\$ -	\$ 17,162	\$ 82,217	\$ 4,461
Receivables:						
Grant funds	-	-	112,592	-	390,850	-
Due from other funds	-	51,004	51,042	137,032	82,055	-
Other	-	-	-	-	-	-
Deposits	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	510	-
Total current assets	<u>1,621</u>	<u>622,201</u>	<u>163,634</u>	<u>154,194</u>	<u>555,632</u>	<u>4,461</u>
Property and equipment (net)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>304,668</u>
Total assets	<u>\$ 1,621</u>	<u>\$ 622,201</u>	<u>\$ 163,634</u>	<u>\$ 154,194</u>	<u>\$ 555,632</u>	<u>\$ 309,129</u>
<b>LIABILITIES</b>						
Liabilities:						
Current liabilities:						
Due to other funds	\$ -	\$ 1,460	\$ 137,779	\$ 105,241	\$ 10,000	\$ 23
Accounts payable	-	-	-	48,953	367,213	-
Accrued salaries and related benefits	-	64,318	515	-	4,569	-
Notes payable	-	-	-	-	-	24,951
Retirement plan payable	-	556,423	-	-	-	-
Compensated absences	-	-	-	-	-	-
Commitment payable	-	-	-	-	-	43,436
Total current liabilities	<u>-</u>	<u>622,201</u>	<u>138,294</u>	<u>154,194</u>	<u>381,782</u>	<u>68,410</u>
Long-term liabilities:						
Notes payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>322,331</u>
Total liabilities	<u>-</u>	<u>622,201</u>	<u>138,294</u>	<u>154,194</u>	<u>381,782</u>	<u>390,741</u>
<b>NET ASSETS</b>						
Unrestricted (deficit)	-	-	-	-	-	(81,612)
Temporarily restricted	<u>1,621</u>	<u>-</u>	<u>25,340</u>	<u>-</u>	<u>173,850</u>	<u>-</u>
Total net assets (deficit)	<u>1,621</u>	<u>-</u>	<u>25,340</u>	<u>-</u>	<u>173,850</u>	<u>(81,612)</u>
Total liabilities and net assets	<u>\$ 1,621</u>	<u>\$ 622,201</u>	<u>\$ 163,634</u>	<u>\$ 154,194</u>	<u>\$ 555,632</u>	<u>\$ 309,129</u>

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Financial Position (Continued)

Year Ended May 31, 2012

With Comparative Totals for May 31, 2011

	Indirect Cost Pool	Computer Technology	Group Mentoring	United Way	Youth Initiative	Community Response Initiative
<b>ASSETS</b>						
Current assets:						
Cash	\$ 8,644	\$ 13,882	\$ -	\$ 2,000	\$ -	\$ -
Receivables:						
Grant funds	-	-	-	-	-	-
Due from other funds	30,876	-	-	-	-	-
Other	6,289	-	-	-	-	-
Deposits	-	-	-	-	-	-
Prepaid expenses	9,817	-	-	-	-	-
Total current assets	55,626	13,882	-	2,000	-	-
Property and equipment (net)	2,282	14,848	-	-	-	-
Total assets	\$ 57,908	\$ 28,730	\$ -	\$ 2,000	\$ -	\$ -
<b>LIABILITIES</b>						
Liabilities:						
Current liabilities:						
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	16,094	-	-	-	-	-
Accrued salaries and related benefits	14,057	-	-	-	-	-
Notes payable	-	-	-	-	-	-
Retirement plan payable	-	-	-	-	-	-
Compensated absences	2,679	-	-	-	-	-
Commitment payable	-	-	-	-	-	-
Total current liabilities	32,830	-	-	-	-	-
Long-term liabilities:						
Notes payable	-	-	-	-	-	-
Total liabilities	32,830	-	-	-	-	-
<b>NET ASSETS</b>						
Unrestricted (deficit)	-	-	-	-	-	-
Temporarily restricted	25,078	28,730	-	2,000	-	-
Total net assets (deficit)	25,078	28,730	-	2,000	-	-
Total liabilities and net assets	\$ 57,908	\$ 28,730	\$ -	\$ 2,000	\$ -	\$ -

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Financial Position (Continued)

Year Ended May 31, 2012

With Comparative Totals for May 31, 2011

	Quality Child Care Initiative	EITC	Disaster	Pugh Family Trust
<b>ASSETS</b>				
Current assets:				
Cash	\$ -	\$ 12,716	\$ 398	\$ 154
Receivables:				
Grant funds	-	-	-	-
Due from other funds	-	-	-	-
Other	-	-	-	-
Deposits	-	-	-	-
Prepaid expenses	-	-	-	-
Total current assets	-	12,716	398	154
Property and equipment (net)	-	-	-	-
Total assets	\$ -	\$ 12,716	\$ 398	\$ 154
<b>LIABILITIES</b>				
Liabilities:				
Current liabilities:				
Due to other funds	\$ -	\$ 1,766	\$ 398	\$ 14
Accounts payable	-	-	-	-
Accrued salaries and related benefits	-	-	-	-
Notes payable	-	-	-	-
Retirement plan payable	-	-	-	-
Compensated absences	-	-	-	-
Settlement payable	-	-	-	-
Total current liabilities	-	1,766	398	14
Long-term liabilities:				
Notes payable	-	-	-	-
Total liabilities	-	1,766	398	14
<b>NET ASSETS</b>				
Unrestricted (deficit)	-	-	-	-
Temporarily restricted	-	10,950	-	140
Total net assets (deficit)	-	10,950	-	140
Total liabilities and net assets	\$ -	\$ 12,716	\$ 398	\$ 154

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Financial Position (Continued)

Year Ended May 31, 2012

With Comparative Totals for May 31, 2011

	Total	Eliminating Entries	Totals	
			2012	2011
<b>ASSETS</b>				
Current assets:				
Cash	\$ 927,312	\$ -	\$ 927,312	\$ 803,323
Receivables:				
Grant funds	1,222,616	-	1,222,616	1,771,242
Due from other funds	434,728	(434,728)	-	-
Other	6,289	-	6,289	1,287
Deposits	18,135	-	18,135	9,270
Prepaid expenses	118,631	-	118,631	129,769
Total current assets	2,727,711	(434,728)	2,292,983	2,714,891
Property and equipment (net)	1,783,986	-	1,783,986	2,069,389
Total assets	\$ 4,511,697	\$ (434,728)	\$ 4,076,969	\$ 4,784,280
<b>LIABILITIES</b>				
Liabilities:				
Current liabilities:				
Due to other funds	\$ 434,728	\$ (434,728)	\$ -	\$ -
Accounts payable	648,171	-	648,171	801,406
Accrued salaries and related benefits	428,577	-	428,577	333,545
Notes payable	24,951	-	24,951	36,209
Retirement plan payable	556,423	-	556,423	514,285
Compensated absences	103,059	-	103,059	119,398
Settlement payable	43,436	-	43,436	-
Total current liabilities	2,239,345	(434,728)	1,804,617	1,804,843
Long-term liabilities:				
Notes payable	322,331	-	322,331	343,112
Total liabilities	2,561,676	(434,728)	2,126,948	2,147,955
<b>NET ASSETS</b>				
Unrestricted (deficit)	(79,774)	-	(79,774)	(52,636)
Temporarily restricted	2,029,795	-	2,029,795	2,688,961
Total net assets (deficit)	1,950,021	-	1,950,021	2,636,325
Total liabilities and net assets	\$ 4,511,697	\$ (434,728)	\$ 4,076,969	\$ 4,784,280

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Activities  
Year Ended May 31, 2012  
With Comparative Totals for May 31, 2011

	Transportation	Project Independence Jobs	CSBG	Food Reimbursement	Shelter Fund
Public support:					
In-kind contributions	\$ -	\$ -	\$ -	\$ -	\$ -
Donations	29,102	720	-	-	-
Total public support	29,102	720	-	-	-
Grants from governmental agencies	442,453	66,891	975,189	1,135,456	-
Other revenue:					
Miscellaneous	6,147	4,274	2,214	-	1,561
Total public support, grants from governmental agencies and other revenue	477,702	71,885	977,403	1,135,456	1,561
Expenses:					
Direct costs -					
Salaries and wages	179,127	69,699	641,684	220,658	-
Fringe benefits	18,908	6,464	63,315	22,792	-
Retirement plan	5,057	1,974	20,125	6,557	-
Depreciation	82,629	2,346	18,538	-	-
Contract services	8,443	-	5,280	-	-
Travel	1,054	-	2,700	3,612	-
Consumable supplies	3,690	-	7,772	45,843	-
Space costs	10,614	2,137	78,657	3,142	-
Repairs and maintenance	177,567	-	27,262	9,940	-
Operating services	137,136	13,099	141,371	856,600	1,709
Other	3,383	-	5,044	8,777	-
Interest expense	467	467	-	-	-
Indirect costs	11,951	4,623	-	14,633	-
In-kind contributions	-	-	-	-	-
Total expenses	640,026	100,809	1,011,748	1,192,554	1,709
Public support, grants from governmental agencies and other revenue over (under) expenses	(162,324)	(28,924)	(34,345)	(57,098)	(148)
Other increases (decreases) in net assets:					
Operating transfers in	32,544	51,313	-	70	-
Operating transfers out	(6,011)	(57,460)	-	-	-
Indirect cost transferred from programs	-	-	-	-	-
Gain (loss) on disposal of fixed assets	(3,031)	-	-	-	-
Total other increases (decreases) in net assets	23,502	(6,147)	-	70	-
Change in net assets	(138,822)	(35,071)	(34,345)	(57,028)	(148)
Net assets (deficit), beginning of year	203,589	46,548	69,193	82,318	1,751
Prior period adjustment	169,140	-	-	-	-
Net assets (deficit), end of year	\$ 233,907	\$ 11,477	\$ 34,848	\$ 25,290	\$ 1,603

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Activities (Continued)  
Year Ended May 31, 2012  
With Comparative Totals for May 31, 2011

	Weatherization	HUD	Local Government Support (Matching Fund)	St. Martin Parish Emergency Assistance	Iberia Food & Medical	Iberia Parish Special Trust
Public support:						
In-kind contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Donations	-	-	1,481	-	-	-
Total public support	-	-	1,481	-	-	-
Grants from governmental agencies	806,884	-	87,833	11,725	19,375	-
Other revenue:						
Miscellaneous	168	1	149	-	-	-
Total public support, grants from governmental agencies and other revenue	807,052	1	89,463	11,725	19,375	-
Expenses:						
Direct costs -						
Salaries and wages	54,141	-	-	-	-	-
Fringe benefits	5,505	-	-	-	-	-
Retirement plan	1,681	-	-	-	-	-
Depreciation	7,165	-	18,575	-	-	-
Contract services	660	-	6,899	-	-	-
Travel	10,906	-	-	-	-	-
Consumable supplies	866	-	2,849	-	-	-
Space costs	5,840	-	48,424	-	-	-
Repairs and maintenance	11,319	-	9,299	-	-	-
Operating services	975,805	-	17,774	11,271	20,301	-
Other	35,529	-	5,856	5	-	-
Interest expense	-	-	-	-	-	-
Indirect costs	-	-	-	-	-	-
In-kind contributions	-	-	-	-	-	-
Total expenses	1,109,417	-	109,676	11,276	20,301	-
Public support, grants from governmental agencies and other revenue over (under) expenses	(302,365)	1	(20,213)	449	(926)	-
Other increases (decreases) in net assets:						
Operating transfers in	76,584	-	2,500	-	-	-
Operating transfers out	(45,768)	(21,550)	(37,009)	-	-	-
Indirect cost transferred from programs	-	-	-	-	-	-
Gain (loss) on disposal of fixed assets	-	-	19,438	-	-	-
Total other increases (decreases) in net assets	30,816	(21,550)	(15,071)	-	-	-
Change in net assets	(271,549)	(21,549)	(35,284)	449	(926)	-
Net assets (deficit), beginning of year	273,337	21,549	254,946	2,447	4,568	157
Prior period adjustment	-	-	-	-	-	-
Net assets (deficit), end of year	\$ 1,788	\$ -	\$ 219,662	\$ 2,896	\$ 3,642	\$ 157

(continued)



ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Activities (Continued)  
 Year Ended May 31, 2012  
 With Comparative Totals for May 31, 2011

	Lafayette Emergency Food & Shelter	Iberia Emergency Food & Shelter	Head Start	RSVP	Medicaid Enrollment	Cookbook Fund
Public support:						
In-kind contributions	\$ -	\$ -	\$ 2,813,002	\$ 13,100	\$ -	\$ -
Donations	1,137	-	-	6,340	-	475
Total public support	1,137	-	2,813,002	19,440	-	475
Grants from governmental agencies	-	10,000	11,563,785	43,790	14	1,542
Other revenue:						
Miscellaneous	-	-	11,701	159	42	-
Total public support, grants from governmental agencies and other revenue	1,137	10,000	14,388,488	63,389	56	2,017
Expenses:						
Direct costs -						
Salaries and wages	-	-	7,071,601	35,793	-	-
Fringe benefits	-	-	734,396	3,623	-	-
Retirement plan	-	-	215,463	1,237	-	-
Depreciation	-	-	282,041	-	-	69
Contract services	-	-	5,224	-	-	-
Travel	-	-	62,489	215	-	-
Consumable supplies	-	-	408,070	598	-	-
Space costs	-	-	590,919	5,156	-	332
Repairs and maintenance	-	-	562,894	284	-	-
Operating services	400	10,000	1,319,635	7,327	-	213
Other	498	-	42,180	1,345	-	1,679
Interest expense	-	-	-	-	-	8
Indirect costs	-	-	469,431	2,375	-	-
In-kind contributions	-	-	2,813,002	13,100	-	-
Total expenses	898	10,000	14,577,345	71,053	-	2,301
Public support, grants from governmental agencies and other revenue over (under) expenses	239	-	(188,857)	(7,664)	56	(284)
Other increases (decreases) in net assets:						
Operating transfers in	-	-	3,241	5,164	-	-
Operating transfers out	-	-	(24,069)	-	-	-
Indirect cost transferred from programs	-	-	-	-	-	-
Gain (loss) on disposal of fixed assets	-	-	-	-	-	-
Total other increases (decreases) in net assets	-	-	(20,828)	5,164	-	-
Change in net assets	239	-	(209,685)	(2,500)	56	(284)
Net assets (deficit), beginning of year	10,238	316	1,421,875	3,943	2,334	2,122
Prior Period adjustment	-	-	-	-	-	-
Net assets (deficit), end of year	\$ 10,477	\$ 316	\$ 1,212,190	\$ 1,443	\$ 2,390	\$ 1,838

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Activities (Continued)

Year Ended May 31, 2012

With Comparative Totals for May 31, 2011

	Family Preservation	Payroll	HPRP	Accounts Payable	Home Energy Assistance	General
Public support:						
In-kind contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Donations	-	-	-	-	-	-
Total public support	-	-	-	-	-	-
Grants from governmental agencies	288	-	246,319	-	2,918,989	-
Other revenue:						
Miscellaneous	95	-	-	-	51,931	68,915
Total public support, grants from governmental agencies and other revenue	383	-	246,319	-	2,970,920	68,915
Expenses:						
Direct costs -						
Salaries and wages	548	-	35,104	-	80,685	-
Fringe benefits	42	-	3,100	-	8,223	-
Retirement plan	16	-	1,027	-	1,933	-
Depreciation	-	-	-	-	-	28,043
Contract services	-	-	-	-	50	-
Travel	-	-	620	-	1,048	-
Consumable supplies	-	-	31	-	4,079	-
Space costs	-	-	-	-	8,673	-
Repairs and maintenance	-	-	-	-	164	-
Operating services	-	-	220,553	-	2,680,948	1,014
Other	-	-	-	-	3,851	66,484
Interest expense	-	-	-	-	-	30,228
Indirect costs	44	-	-	-	-	-
In-kind contributions	-	-	-	-	-	-
Total expenses	650	-	260,435	-	2,789,654	125,769
Public support, grants from governmental agencies and other revenue over (under) expenses	(267)	-	(14,116)	-	181,266	(56,854)
Other increases (decreases) in net assets:						
Operating transfers in	673	-	8,211	-	-	30,000
Operating transfers out	-	-	-	-	(198,933)	-
Indirect cost transferred from programs	-	-	-	-	-	-
Gain (loss) on disposal of fixed assets	-	-	-	-	-	-
Total other increases (decreases) in net assets	673	-	8,211	-	(198,933)	30,000
Change in net assets	406	-	(5,905)	-	(17,667)	(26,854)
Net assets (deficit), beginning of year	1,215	-	31,245	-	191,517	(54,758)
Prior period adjustment	-	-	-	-	-	-
Net assets (deficit), end of year	\$ 1,621	\$ -	\$ 25,340	\$ -	\$ 173,850	\$ (81,612)

(continued)

## ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Activities (Continued)  
Year Ended May 31, 2012  
With Comparative Totals for May 31, 2011

	Indirect Cost Pool	Computer Technology	Group Mentoring	United Way	Youth Initiative	Community Response Initiative
Public support:						
In-kind contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Donations	-	-	-	-	-	-
Total public support	-	-	-	-	-	-
Grants from governmental agencies	6,289	-	-	8,971	-	-
Other revenue:						
Miscellaneous	1,639	-	-	-	-	-
Total public support, grants from governmental agencies and other revenue	7,928	-	-	8,971	-	-
Expenses:						
Direct costs -						
Salaries and wages	347,115	-	-	6,254	-	-
Fringe benefits	36,339	-	-	494	-	-
Retirement plan	10,634	-	-	188	-	-
Depreciation	402	1,552	-	-	-	-
Contract services	95,134	-	-	-	-	-
Travel	8,084	-	-	-	-	-
Consumable supplies	19,610	-	-	-	-	-
Space costs	47,626	-	-	-	-	-
Repairs and maintenance	21,772	-	-	-	-	-
Operating services	54,646	-	-	904	-	-
Other	44,573	-	-	-	-	-
Interest expense	-	-	-	-	-	-
Indirect costs	-	-	-	-	-	-
In-kind contributions	-	-	-	-	-	-
Total expenses	685,935	1,552	-	7,840	-	-
Public support, grants from governmental agencies and other revenue over (under) expenses	(678,007)	(1,552)	-	1,131	-	-
Other increases (decreases) in net assets:						
Operating transfers in	198,933	-	-	668	-	-
Operating transfers out	-	-	(479)	(15,292)	(2,369)	(89)
Indirect cost transferred from programs	503,057	-	-	-	-	-
Gain (loss) on disposal of fixed assets	-	-	-	-	-	-
Total other increases (decreases) in net assets	701,990	-	(479)	(14,624)	(2,369)	(89)
Change in net assets	23,983	(1,552)	(479)	(13,493)	(2,369)	(89)
Net assets (deficit), beginning of year	1,095	30,282	479	15,493	2,369	89
Prior period adjustment	-	-	-	-	-	-
Net assets (deficit), end of year	\$ 25,078	\$ 28,730	\$ -	\$ 2,000	\$ -	\$ -

(continued)

## ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Activities (Continued)  
Year Ended May 31, 2012  
With Comparative Totals for May 31, 2011

	Quality Child Care Initiative	EITC	Disaster	Pugh Family Trust	Totals	
					2012	2011
Public support:						
In-kind contributions	\$ -	\$ -	\$ -	\$ -	\$ 2,826,102	\$ 2,723,461
Donations	-	-	-	-	39,255	133,567
Total public support	-	-	-	-	2,865,357	2,857,028
Grants from governmental agencies	-	5,897	-	-	18,351,690	23,391,977
Other revenue:						
Miscellaneous	1	-	-	-	148,997	55,833
Total public support, grants from governmental agencies and other revenue	1	5,897	-	-	21,366,044	26,304,838
Expenses:						
Direct costs -						
Salaries and wages	-	-	-	-	8,742,409	9,175,822
Fringe benefits	-	-	-	-	903,201	953,402
Retirement plan	-	-	-	-	265,892	274,011
Depreciation	-	-	-	-	441,360	386,611
Contract services	-	-	-	5,763	127,453	282,822
Travel	-	-	-	-	90,728	71,639
Consumable supplies	-	600	-	958	494,966	376,149
Space costs	-	-	-	-	801,520	822,726
Repairs and maintenance	-	-	-	-	820,501	686,086
Operating services	-	-	-	-	6,470,706	9,939,018
Other	-	2,083	-	600	221,887	87,933
Interest expense	-	-	-	-	31,170	37,058
Indirect costs	-	-	-	-	503,057	525,463
In-kind contributions	-	-	-	-	2,826,102	2,723,680
Total expenses	-	2,683	-	7,321	22,740,952	26,342,420
Public support, grants from governmental agencies and other revenue over (under) expenses	1	3,214	-	(7,321)	(1,374,908)	(37,582)
Other increases (decreases) in net assets:						
Operating transfers in	-	-	-	-	409,901	1,228,104
Operating transfers out	(872)	-	-	-	(409,901)	(1,228,104)
Indirect cost transferred from programs	-	-	-	-	503,057	525,465
Gain (loss) on disposal of fixed assets	-	-	-	-	16,407	-
Total other increases (decreases) in net assets	(872)	-	-	-	519,464	525,465
Change in net assets	(871)	3,214	-	(7,321)	(855,444)	487,883
Net assets (deficit), beginning of year	871	7,736	-	7,461	2,636,325	2,148,442
Prior period adjustment	-	-	-	-	169,140	-
Net assets (deficit), end of year	\$ -	\$ 10,950	\$ -	\$ 140	\$ 1,950,021	\$ 2,636,325

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Indirect Cost Pool  
Statements of Revenue and Expenses  
Years Ended May 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Revenue:		
Indirect cost revenues	\$ 510,985	\$ 527,668
Expenses:		
Direct costs -		
Salaries and wages	347,115	332,509
Fringe benefits	36,339	33,017
Retirement expense	10,634	10,094
Depreciation	402	317
Contract services	6,735	1,617
Travel	8,084	2,813
Consumable supplies	3,026	2,412
Repairs and maintenance	21,772	17,844
Other	44,573	24,705
Operating services -		
Copy machine expense	19,530	20,114
Auto expenses	12,076	11,043
Professional fees	88,399	91,012
Rent	8,580	10,777
Utilities and telephone	39,046	21,059
Office supplies	16,584	2,027
Publications and subscriptions	203	230
Insurance - general	2,490	1,499
Employee development	20,347	10,558
Total expenses	<u>685,935</u>	<u>593,647</u>
Deficiency of revenue over expenses	<u>\$ (174,950)</u>	<u>\$ (65,979)</u>

**INTERNAL CONTROL,  
COMPLIANCE  
AND  
OTHER MATTERS**

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors  
St. Martin, Iberia, Lafayette  
Community Action Agency, Inc.  
Lafayette, Louisiana

We have audited the financial statements of the St. Martin, Iberia, Lafayette Community Action Agency, Inc. (a nonprofit organization) as of and for the year ended May 31, 2012, and have issued our report thereon dated November 5, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

Management of St. Martin, Iberia, Lafayette Community Action Agency, Inc. is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be a material weakness, as defined above.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s management, Board of Directors, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Breaux Bridge, Louisiana  
November 5, 2012



# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of Directors  
St. Martin, Iberia, Lafayette  
Community Action Agency, Inc.  
Lafayette, Louisiana

### Compliance

We have audited the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect each of St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s major federal programs for the year ended May 31, 2012. St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s management. Our responsibility is to express an opinion on the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s compliance with those requirements.

In our opinion, the St. Martin, Iberia, Lafayette Community Action Agency, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended May 31, 2012.

#### Internal Control Over Compliance

Management of the St. Martin, Iberia, Lafayette Community Action Agency, Inc. is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s internal control over compliance.

Our consideration of the internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in the internal control over compliance that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a material weakness.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying schedule of current and prior year audit findings and management's corrective action plan as item 12-1 to be a material weakness.

The St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s response and, accordingly, we express no opinion on the response.

This report is intended solely for the information and use of the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s management, Board of Directors, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Breaux Bridge, Louisiana  
November 5, 2012

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Schedule of Expenditures of Federal Awards  
Year Ended May 31, 2012

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
<u>U. S. Department of Agriculture</u>			
Passed through State Department of Education - Food Reimbursement	10.558	-	\$ 1,192,554
<u>U.S. Department of Housing and Urban Development</u>			
Direct Program:			
Supportive Housing Program	14.235	LA00218BH001104	6,808
Supportive Housing Program	14.235	LA00218BH001103	22,342
Total Supportive Housing Program			29,150
Passed through Iberia Parish Government - Emergency Shelter Grant	14.231	-	28,155
Passed through Lafayette Consolidated Government - ARRA - Homeless Prevention and Rapid Re-Housing Program (HPRP), Recovery Act *	14.257	S09-MY-22-0004	120,010
Passed through St. Martin Parish Government - ARRA - Homeless Prevention and Rapid Re-Housing Program (HPRP), Recovery Act *	14.257	S09-MY-22-0004	82,515
Passed through Iberia Parish Government - ARRA - Homeless Prevention and Rapid Re-Housing Program (HPRP), Recovery Act *	14.257	S09-MY-22-0004	43,399
Total HPRP			245,924
Total Department of Housing and Urban Development			303,229
<u>U.S. Department of Energy</u>			
Passed through State Department of Social Services - Office of Community Services - Weatherization *	81.042	-	8,401
ARRA - Weatherization *	81.042	DEEE0000122	1,118,023
Total Weatherization			1,126,424
<u>Department of Transportation</u>			
Passed through Iberia Parish Government - Formula Grants for Other than Urbanized Areas	20.509	-	215,432

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Schedule of Expenditures of Federal Awards (continued)  
Year Ended May 31, 2012

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
<u>U. S. Department of Health and Human Services</u>			
Direct Programs:			
Head Start/Early Childhood *	93.600	-	9,248,285
ARRA - Head Start/Early Childhood*	93.708	-	2,234,017
Total Head Start/Early Childhood			<u>11,482,302</u>
Passed through State Department of Social Services - Office of Community Services - Home Energy Assistance Program *	93.568	-	2,789,654
Passed through State Department of Social Services - Office of Family Support - Project Independence	93.558	667545	98,463
Passed through State Department of Labor - Community Service Block Grant	93.569	2011N0024	445,189
Community Service Block Grant	93.569	2012N0024	530,000
Total Community Service Block Grant			<u>975,189</u>
Total Department of Health and Human Services			<u>15,345,608</u>
<u>The Corporation for National Service</u>			
Direct Program:			
Retired Senior Volunteer Program	94.002	-	<u>57,951</u>
<u>U.S. Department of Homeland Security</u>			
Emergency Food and Shelter National Board Program - Iberia	97.024	369000-002	<u>10,000</u>
Total expenditures of federal awards			<u>\$ 18,251,198</u>

\* Major federal financial assistance programs.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Notes to Schedule of Expenditures of Federal Awards  
Year Ended May 31, 2012

(1) General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the St. Martin, Iberia, Lafayette Community Action Agency, Inc. The St. Martin, Iberia, Lafayette Community Action Agency, Inc. reporting entity is defined in Note 1 to the financial statements for the year ended May 31, 2012. All federal financial assistance received directly from federal agencies is included on the schedule as well as federal financial assistance passed through other government agencies. The Head Start, Weatherization, Homelessness Prevention and Rapid Re-Housing, and Home Energy Assistance programs were considered major federal programs for the St. Martin, Iberia, Lafayette Community Action Agency, Inc.

(2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the St. Martin, Iberia, Lafayette Community Action Agency, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

(3) Relationship to Federal Financial Reports

A reconciliation of total expenditures of federal awards reported in the Schedules of Expenditures of Federal Awards to total expenses per statement of functional expenses is as follows:

	2012
Total expenses per statement of activities	\$ 22,740,952
Add: Equipment additions	24,173
Less: In-kind contributions	(2,826,102)
Depreciation	(441,360)
Non-federal expenses	(1,246,465)
Total expenditures per schedule of federal awards	<u>\$ 18,251,198</u>

The total in-kind contributions of \$2,826,102 and depreciation expense in the amount of \$392,719 were for federal programs.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Schedule of Findings and Questioned Costs  
Year Ended May 31, 2012

Part I. Summary of Auditor's Results:

1. The auditor's report expresses an unqualified opinion on the financial statements of St. Martin, Iberia, Lafayette Community Action Agency, Inc.
2. No deficiencies in internal control were disclosed by the audit of the financial statements.
3. No instances of noncompliance material to the financial statements, which would be required to be reported in accordance with Government Auditing Standards, were disclosed by the audit of the financial statements.
4. One significant deficiency in internal control over major programs was disclosed by the audit of the financial statements. The significant deficiency is considered to be a material weakness.
5. The auditors' report on compliance for the major federal award programs expresses an unqualified opinion on all major programs.
6. Audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 are reported in the accompanying schedule of current and prior year audit findings and management's corrective action plan.
7. The major programs were:
  - U. S. Department of Health and Human Services: Head Start and Early Childhood, CFDA 93.600, ARRA – Head Start and Early Childhood, CFDA 93.708
  - U.S. Department of Housing and Urban Development/Passed through Lafayette Consolidated Government and Iberia Parish Government: Homelessness Prevention and Rapid Re-Housing Program, CFDA 14.257
  - U.S. Department of Energy: Weatherization/ARRA - Weatherization, CFDA 81.042
  - U.S. Department of Health and Human Services: Home Energy Assistance Program, CFDA 93.568
8. The dollar threshold used to distinguish between Type A and Type B programs, as described in Section 520(b) of Circular A-133 was \$547,536.
9. SMILE did not qualify as a low risk auditee.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Schedule of Findings and Questioned Costs (Continued)  
Year Ended May 31, 2012

Part II. Findings which are required to be reported in accordance with generally accepted Governmental Auditing Standards:

A. Compliance Findings

There are no compliance findings that are required to be reported at May 31, 2012.

B. Internal Control Findings

There are no internal control findings that are required to be reported at May 31, 2012.

Part III. Findings and questioned costs for Federal awards which include audit findings as defined in Section 510(a) of Circular A-133:

See internal control finding 12-1 on the accompanying schedule of current and prior year audit findings and management's corrective action plan.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Schedule of Current and Prior Year Audit Findings  
And Management's Corrective Action Plan (Continued)  
Year Ended May 31, 2012

Part I: Current Year Findings and Management's Corrective Action Plan

- A. Findings which are required to be reported in accordance with generally accepted Governmental Auditing Standards:

Internal Control Over Financial Reporting

There are no findings that are required to be reported.

Compliance

There are no findings that are required to be reported.

- B. Findings and questioned costs for Federal awards which include audit findings as defined in Section 510(a) of Circular A-133:

Internal Control Over Compliance

12-1 Inadequate Controls over Applicant Eligibility

CFDA 14.257 Homelessness Prevention and Rapid Re-Housing Program (HPRP)

CFDA 93.568 Home Energy Assistance Program

CONDITION: Miscalculations were noted when determining applicant income.

CRITERIA: Homelessness Prevention Rapid Re-Housing Program and Home Energy Assistance Program participants must meet a minimum of criteria in order to be eligible to receive assistance. One of those criteria is that the household must be at or below 50 percent of Area Median Income.

CAUSE: Annual income calculations for purposes of eligibility determinations were not being adequately made and reviewed.

EFFECT: The possibility exists that an applicant may receive assistance even though he/she is ineligible for assistance.

RECOMMENDATION: Management needs to implement policies and controls to ensure that staff personnel are adequately trained and that calculations are properly made and reviewed.



ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Schedule of Current and Prior Year Audit Findings  
And Management's Corrective Action Plan (Continued)  
Year Ended May 31, 2012

MANAGEMENT'S RESPONSE AND PLANNED CORRECTIVE ACTION: Mr. Alvin Wiltz, Executive Director, and Ms. Brenda Foulcard, Finance Director, have addressed the finding with management and management will implement policies and controls to ensure that personnel are conducting proper calculations and accurate eligibility determinations. Ongoing training will commence immediately. Supervisors will be responsible for cross-checking their subordinates' work.

Part II: Prior Year Findings

- A. Findings which are required to be reported in accordance with generally accepted Governmental Auditing Standards:

Internal Control Over Financial Reporting

There are no findings that are required to be reported.

Compliance

There are no findings that are required to be reported.

- B. Findings and questioned costs for Federal awards which include audit findings as defined in Section 510(a) of Circular A-133:

Compliance

11-1 Eligibility

CFDA 14.257 U.S. Department of Housing and Urban Development - Homelessness Prevention and Rapid Re-Housing Program (HPRP)

CONDITION: An applicant received assistance when the applicant was not eligible.

RECOMMENDATION: Management needs to implement policies and controls to ensure that calculations are properly made and that eligibility determinations are accurate.

CURRENT STATUS: Resolved.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Schedule of Current and Prior Year Audit Findings  
And Management's Corrective Action Plan (Continued)  
Year Ended May 31, 2012

11-2      Davis Bacon Act

CFDA 81.042 U.S. Department of Energy – Weatherization - ARRA

CONDITION: Per tests performed, it was noted that a contractor did not turn in payroll reports on a weekly basis.

RECOMMENDATION: SMILE should ensure that they are receiving weekly certified payrolls from all contractors performing weatherization work and should be submitting them to LACAP on a timely basis to ensure compliance with the Davis Bacon Act.

CURRENT STATUS: Resolved. However, during the year ended May 31, 2012, the grantor agency (LACAP) noted other deficiencies. See Note 5(C) to Financial Statements.